

Company Registration No. 03315951

BJD Processing Limited
(Formerly Bradley and Craven Limited)

FINANCIAL STATEMENTS

for the period ended

2 May 1999



Baker Tilly Chartered Accountants
Carlton House, Grammar School Street, Bradford, BD1 4NS

Offices at: Birmingham, Bradford, Bristol, Bromley, Chester, Crawley, Guildford, London, Manchester, Milton Keynes, Warrington, Watford, Yeovil.
Registered to carry on audit work and authorised to carry on investment business by the Institute of Chartered Accountants in England and Wales

An independent member of Summit International
Associates, Inc.

BJD Processing Limited

(Formerly Bradley and Craven Limited)
DIRECTORS AND OFFICERS

DIRECTORS

P M Deverell-Smith Chairman
V A Clapshaw
D Clegg
R A Draper FCA
M B Holroyd
M Wilson

SECRETARY

R A Draper FCA

COMPANY NUMBER

3315951 (England and Wales)

REGISTERED OFFICE

P O Box 21
Dewsbury Road
Wakefield
WF2 9BD

AUDITORS

Baker Tilly
Chartered Accountants
Carlton House
Grammar School Street
Bradford
BD1 4NS

BJD Processing Limited

(Formerly Bradley and Craven Limited)

DIRECTORS' REPORT

The directors submit their report and the financial statements of BJD Processing Limited for the period ended 2 May 1999.

PRINCIPAL ACTIVITIES

The principal activity of the company during the period was that of heavy engineering and parts supply.

CHANGE OF COMPANY NAME

The company changed its name to BJD Processing Limited on 17 March 1999.

REVIEW OF THE BUSINESS

Following the acquisition of the business from Indresco (UK) Limited in November 1998, trading has been encouraging when taking account of the need to re-establish a market presence within the United Kingdom. The company has now achieved a corporate identity and has significant prospects in the forthcoming year.

RESULTS AND DIVIDENDS

The trading loss for the period was £8,885.

The directors do not recommend payment of a dividend.

DIRECTORS

The following directors have held office during the year:

P M Deverell-Smith	(appointed 8 March 1999)
V A Clapshaw	(appointed 8 March 1999)
D Clegg	(appointed 8 March 1999)
R A Draper FCA	
M B Holroyd	(appointed 8 March 1999)
M Wilson	

DIRECTORS' INTERESTS IN SHARES

The directors had no interests in the shares of the company.

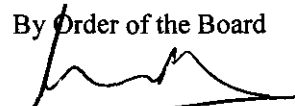
All directors are directors of the ultimate holding company, Craven Fawcett (1997) Limited, within whose financial statements their interest in the shareholdings are disclosed.

BJD Processing Limited
(Formerly Bradley and Craven Limited)
DIRECTORS' REPORT

AUDITORS

A resolution to reappoint Baker Tilly, Chartered Accountants, as auditors will be put to the members at the Annual General Meeting.

By Order of the Board



R A Draper

Secretary

27 2 2000

BJD Processing Limited

(Formerly Bradley and Craven Limited)

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

Company law requires directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, directors are required to:

- a. *select suitable accounting policies and then apply them consistently;*
- b. *make judgements and estimates that are reasonable and prudent;*
- c. *prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.*

Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS' REPORT TO THE MEMBERS OF BJD PROCESSING LIMITED (Formerly Bradley and Craven Limited)

We have audited the financial statements on pages 6 to 14.

Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 2 May 1999 and of the loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



BAKER TILLY

Registered Auditor
Chartered Accountants
Carlton House
Grammar School Street
Bradford
BD1 4NS

29 February 2000

BJD Processing Limited
 (Formerly Bradley and Craven Limited)
PROFIT AND LOSS ACCOUNT
 for the period ended 2 May 1999

	<i>Notes</i>	1999 £	1998 £
TURNOVER	1	576,874	-
Cost of Sales		368,777	-
Gross profit		208,097	-
Other operating expenses	2	181,675	-
OPERATING PROFIT		26,422	-
Exceptional item	3	31,670	-
Interest payable	4	6,076	-
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	5	(11,324)	-
Taxation	7	2,439	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE FINANCIAL PERIOD	15	(8,885)	-

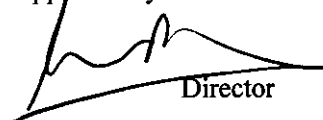
The operating profit for the period arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

BJD Processing Limited
 (Formerly Bradley and Craven Limited)
BALANCE SHEET
 2 May 1999

	<i>Notes</i>	1999 £	1998 £
FIXED ASSETS			
Intangible assets	8	19,652	-
Tangible assets	9	22,901	-
		<hr/>	<hr/>
		42,553	-
		<hr/>	<hr/>
CURRENT ASSETS			
Stocks	10	346,348	-
Debtors	11	148,456	-
Cash at bank and in hand		6,090	2
		<hr/>	<hr/>
		500,894	2
		<hr/>	<hr/>
CREDITORS: Amounts falling due within one year	12	550,810	-
		<hr/>	<hr/>
NET CURRENT (LIABILITIES) ASSETS		(49,916)	2
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		(7,363)	-
		<hr/>	<hr/>
PROVISION FOR LIABILITIES AND CHARGES	13	(1,520)	-
		<hr/>	<hr/>
		(8,883)	2
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	14	2	2
Profit and loss account	15	(8,885)	-
		<hr/>	<hr/>
EQUITY SHAREHOLDERS' FUNDS	16	(8,883)	2
		<hr/>	<hr/>

Approved by the board on 29 2 2000


 Director

BJD Processing Limited

(Formerly Bradley and Craven Limited)

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention.

INTANGIBLE FIXED ASSETS

Purchased goodwill is capitalised and written off over 20 years as in the opinion of the directors this represents the year over which the goodwill is effective.

TANGIBLE FIXED ASSETS

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Plant and machinery

over 5 years

STOCKS AND WORK IN PROGRESS

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost of finished goods and work in progress includes overheads appropriate to the stage of manufacture. Net realisable value is based upon estimated selling prices less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow moving items.

DEFERRED TAXATION

Provision is made for taxation deferred or accelerated by the effect of timing differences, to the extent that it is probable that a liability will crystallise, at the rate expected to be ruling at that date.

PENSIONS CONTRIBUTIONS

The pension costs charged in the financial statements represent the contributions payable by the company during the period to defined contribution pensions schemes.

WARRANTY PROVISIONS

Provision is made for liabilities arising in respect of specific warranty claims.

TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers.

BJD Processing Limited

(Formerly Bradley and Craven Limited)

NOTES TO THE FINANCIAL STATEMENTS

for the period ended 2 May 1999

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The company's turnover and profit before taxation were all derived from its principal activity. Sales were made in the following geographical markets:

	1999 £	1998 £
Geographical market:		
United Kingdom	342,630	-
Other E C	112,516	-
Asia and Middle East	125	-
Other	121,603	-
	<hr/>	<hr/>
	576,874	-
	<hr/>	<hr/>

2 OTHER OPERATING EXPENSES

	1999 £	1998 £
Selling and distribution costs	64,662	-
Administration expenses	56,020	-
Technical expenses	36,260	-
Distribution	19,945	-
Other	4,788	-
	<hr/>	<hr/>
	181,675	-
	<hr/>	<hr/>

3 EXCEPTIONAL ITEM

The exceptional item relates to legal costs in connection with the protection of the intellectual property rights acquired as part of the business.

4 INTEREST PAYABLE

	1999 £	1998 £
On bank loans and overdrafts wholly repayable within five years:	3,470	-
On other loans	2,606	-
	<hr/>	<hr/>
	6,076	-
	<hr/>	<hr/>

BJD Processing Limited

(Formerly Bradley and Craven Limited)

NOTES TO THE FINANCIAL STATEMENTS

for the period ended 2 May 1999

5	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	1999	1998
		£	£

Profit on ordinary activities before taxation is stated after charging:

Depreciation and amounts written off tangible fixed assets:

Charge for the period:

Owned assets	2,599	-
Amortisation of intangible fixed assets	478	-
Auditors' remuneration	1,800	-

6	EMPLOYEES	1999	1998
		No	No

The average monthly number of persons (including directors) employed by the company during the period was:

Office and management	6	-
Manufacturing	3	-
Selling and distribution	3	-

12 -

Staff costs for the above persons:

Wages and salaries	142,888	-
Social security costs	14,265	-
Other pension costs	2,654	-

159,807 -

The directors did not receive any remuneration during the period.

7	TAXATION	1999	1998
		£	£

Based on the profit for the period:

UK Corporation tax at 20.92% - group loss relieved	(3,959)	-
Deferred taxation	1,520	-

(2,439) -

BJD Processing Limited

(Formerly Bradley and Craven Limited)

NOTES TO THE FINANCIAL STATEMENTS

for the period ended 2 May 1999

8	INTANGIBLE FIXED ASSETS	<i>Goodwill</i> £
	Cost	
	Addition	20,130
		<hr/>
	2 May 1999	20,130
		<hr/>
	Amortisation	
	Charge in period	478
		<hr/>
	2 May 1999	478
		<hr/>
	Net book value	
	2 May 1999	19,652
		<hr/> <hr/>
	3 May 1998	-
		<hr/> <hr/>
9	TANGIBLE FIXED ASSETS	<i>Plant and machinery</i> £
	Cost or valuation	
	Additions	30,000
	Disposals	(4,500)
		<hr/>
	2 May 1999	25,500
		<hr/>
	Depreciation	
	Charged in the period	2,599
		<hr/>
	2 May 1999	2,599
		<hr/>
	Net book value	
	2 May 1999	22,901
		<hr/> <hr/>
	3 May 1998	-
		<hr/> <hr/>

BJD Processing Limited

(Formerly Bradley and Craven Limited)

NOTES TO THE FINANCIAL STATEMENTS

for the period ended 2 May 1999

10	STOCK	1999 £	1998 £
	Raw materials and consumables	291,275	-
	Work in progress	55,073	-
		<hr/>	<hr/>
		346,348	-
		<hr/>	<hr/>
11	DEBTORS	1999 £	1998 £
	Due within one year:		
	Trade debtors	117,211	-
	Amount owed by group undertaking	17,418	-
	Corporation tax	3,959	-
	Prepayments	9,868	-
		<hr/>	<hr/>
		148,456	-
		<hr/>	<hr/>
12	CREDITORS: Amounts falling due within one year	1999 £	1998 £
	Bank loans and overdrafts	71,848	-
	Other loan	10,979	-
	Trade creditors	252,049	-
	Amounts owed to parent undertaking	112,679	-
	Other taxation and social security costs	42,192	-
	Accruals	61,063	-
		<hr/>	<hr/>
		550,810	-
		<hr/>	<hr/>

Bank loans and overdraft and other loan are secured by debentures giving fixed or floating charges on the assets of the company.

BJD Processing Limited

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NOTES TO THE FINANCIAL STATEMENTS

for the period ended 2 May 1999

13	PROVISION AND LIABILITIES AND CHARGES	<i>Deferred taxation</i> £
	At 4 May 1998	-
	Transfer to profit and loss	1,520
		<hr/>
	At 2 May 1999	1,520
		<hr/> <hr/>

Deferred tax provided in the financial statements and the unprovided potential liabilities are as follows:

		<i>Amount provided</i> £	<i>Unprovided liability</i> £
	Excess of tax allowances over depreciation	1,520	-
		<hr/>	<hr/>
14	SHARE CAPITAL	1999 £	1998 £
	Authorised 1,000 Ordinary shares of £1 each	1,000	1,000
		<hr/>	<hr/>
	Allotted, issued and fully paid 2 Ordinary share of £1 each	2	2
		<hr/>	<hr/>
15	PROFIT AND LOSS ACCOUNT	1999 £	1998 £
	At 4 May 1998	-	-
	Loss for the financial period	(8,885)	-
		<hr/>	<hr/>
	At 2 May 1999	(8,885)	-
		<hr/>	<hr/>

BJD Processing Limited

(Formerly Bradley and Craven Limited)

NOTES TO THE FINANCIAL STATEMENTS

for the period ended 2 May 1999

16 RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS

	1999 £	1998 £
Loss for the financial period	(8,885)	-
New share capital subscribed	-	2
	<hr/>	<hr/>
Net addition to shareholder's funds	(8,885)	2
Opening equity shareholder's funds	2	-
	<hr/>	<hr/>
Closing equity shareholder's funds	(8,883)	2
	<hr/>	<hr/>

17 ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking of the company is Craven Fawcett (1997) Limited.

18 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions from disclosing related party transactions with its parent undertaking and fellow subsidiary undertaking on the grounds that the consolidated financial statements of the parent undertaking are publicly available.